

THE NEW JERSEY WORKFORCE DEVELOPMENT PARTNERSHIP PROGRAM

Our nation is at a watershed: Experts now agree that the American workforce must undergo constant retraining and reeducation if our nation is to develop a high-skill, high-wage workforce needed to successfully compete in the new global economy.

Responding to that challenge, in 1991 New Jersey Governor Jim Florio created a state funded employment and training program designed to make skills training, education and a wide range of other support services available to experienced individual workers and employers. That initiative: the "Workforce Development Partnership"--was passed with overwhelming bipartisan support in the New Jersey Legislature and signed into law on July 7, 1992.

The Partnership's goals are to increase productivity, enhance competitiveness, retain jobs, and shorten the duration of unemployment and revitalize career potential for experienced workers.

Program Benefits for Workers

The Partnership provides those qualified individuals with training and/or education grants up to \$4,000, unemployment benefit extensions, and tuition waivers good at all public institutions of higher education.

The Partnership is designed to provide new skills for those workers with a strong attachment to the workforce: the technicians, factory workers, salespeople, and secretaries who bear the brunt of a changing economic climate and are the backbone of New Jersey's economy.

The Partnership provides those workers with employment counselors, who help them write an Employment Development Plan (EDP) which charts the training the worker will require to change his or her a career.

Program Benefits for Employers

Employers can receive matching funds from the Partnership to pay for training-related expenses that promise to improve their workers' productivity and their company's market position. This aspect of the Program administered by the New Jersey Department of Labor's Office of Customized Training. The Partnership:

- Focuses on small-to-medium size companies in the manufacturing sector, but allows the flexibility to respond to specific businesses in any other sector of the economy;

- Provides work-based learning to improve business performance and to upgrade the skills of workers;
- Requires a business plan from the employer that specifies how training will contribute to a company's objective and how that training will be supported by a real contribution by the company, and how the increased skills will relate to increased wages for its workers.

The Partnership established a clear and simple connection between the local network of service providers (SDAs, Community Based Organizations, four year colleges, Community Colleges, etc.) and the services provided through local offices of the Department of Labor.

No new taxes were necessary to fund the program, which is expected to invest at least \$50 million in the State's economy each year. A new "training trust fund" has been created by reallocating a small portion of both worker and employer contributions to the State unemployment insurance trust fund.

The program is "capped" and subject to a "sunset" provision (July 1997). The State Employment and Training Commission, an independent policy and planning council, is charged with annually evaluating the program's effectiveness and reporting the results to the Governor and State Legislature.

BACKGROUND ON THE DEPARTMENT OF LABOR'S WORKFORCE INITIATIVES

WORKFORCE DEVELOPMENT PARTNERSHIP PROGRAM

- Federally funded training programs are narrowly focused on the least skilled and most economically disadvantaged. The Workforce Development Partnership is a unique employment and training program designed to make skills training, education and a wide range of other support services available to experienced displaced workers and employers.
- The Workforce Development Partnership was passed with strong bi-partisan support in the legislature and was signed into law on July 7, 1992.
- The goal of the Workforce Development Partnership is to insure that qualified workers in New Jersey requiring new skills may avail themselves of training and retraining opportunities through their employers or through approved training institutions.
- A portion of the current dedicated payroll tax is redirected to establish a training trust fund to help a multitude of qualified workers upgrade or acquire new skills, and help employers provide customized training to their workforce, thereby encouraging employers to maintain competitiveness, expand and locate facilities in this state.
- Skills training is delivered through two mechanisms:
 - (a) Customized training services; and
 - (b) Training grants for individuals.
- Customized training services is provided for employers to improve the occupational skills their workers. Employers submit a business plan and provide matching funds to support the establishment of skills training programs.
- Training grants are issued to experienced workers by the department of Labor. The worker, after an evaluation and skills assessment, work with an employment counselors who helps them write an individual Employment Development Plan (EDP), which charts the training the worker will require change his or her career.
- Training is conducted by training institutions or vendors located in New Jersey and approved for training purposes by the Commissioner of Labor. The Commissioner may enter into contracts with employers, groups of employers, unions or training agencies for the provision of training.
- The Commissioner of Labor is authorized to expend funds from the Workforce Development Partnership Fund for the following purposes:

- (a) Reimbursement of actual training costs incurred by employers and training institutions covered under an executed agreement;
 - (b) Training grants for eligible participants collecting, or exhausting their unemployment insurance payments. The maximum value of training reimbursement for each individual is determined by the Commissioner of Labor in consideration of prevailing training costs and labor market conditions;
 - (c) Reasonable operating expenses and administrative costs.
- The Commissioner of Labor administers the New Jersey Workforce Development Partnership Program in cooperation with business, organized labor and the Departments of Education, Higher Education, and Commerce and Economic Development ensuring that all resources are brought to the table in an integrated delivery of services.
 - The State Employment and Training Commission, which was established in the State of New Jersey to develop and assist in the implementation of a comprehensive employment, training, and education policy for the state will: establish the criteria for evaluation; provide for the evaluation of projects funded by this program; and report annually to the Governor and the Legislature on projects operating during the previous State fiscal year. In the last year of the program, the Commission must provide to the Legislature and the Governor its assessment of the appropriateness of continuing the program.

YOUTH EMPLOYMENT

- Currently the Department of Labor with the Department of Education, is developing a major initiative on youth apprenticeship. This initiative will be in place by September of 1993.
- The Departments' work to date in this area may be characterized by a few specific objectives;
 - Securing a relationship between the curricula of educational instruction and work settings, a connection similar to that articulated in the USDOL's youth apprenticeship initiatives.
 - Establishing education/work connections to extend across a significant period of time, at least two years. This education/work experience must result in a degree/certification of occupational readiness, roughly consistent with the journey person certification and the opportunity for work.

- Requires the program to have sufficient financial incentives for all involved to be invested in the success of the program, the young person, the business, and the school.
- Requires meritorious performance and is targeted at successful students, independent of their at-risk status.

**INDIVIDUALS SERVED BY
THE WORKFORCE DEVELOPMENT PARTNERSHIP PROGRAM**

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| ● Response from public | 36,802 |
| ● Scheduled for orientation | 28,066 |
| ● Reported for orientation | 16,350 |
| ● Scheduled for counselor from orientation | 10,433 |
| ● Counseled | 8,093 |
| ● Training Grants processed | 197 |
| ● Training grant obligated amount | \$529,625.43 |
| ● Additional benefits expended | \$591,137.00 |